LOCAL AUTHORITIES BOARD

TWENTY-THIRD ANNUAL REPORT 1983

Alberta
LOCAL AUTHORITIES BOARD

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Office of the Chairman

6th Floor, Pacific Plaza, 10909 Jasper Avenue, Edmonton, Alberta, Canada T5J 3L9 403/427-4278

1984-01-30

The Honourable Peter E. Lougheed
President of the Executive Council
Province of Alberta
307 Legislature Building
EDMONTON, Alberta
T5K 2B7

Dear Mr. Lougheed:

I have the honour to submit herewith the Twenty-Third Annual Report of the Local Authorities Board for the year 1983.

In addition to providing the information required by Section 26 of the Local Authorities Board Act, this Report also presents a brief description of the Board, its responsibilities and significant activities which occurred during 1983.

Respectfully yours

C. I. Shelley
Chairman

From the Chairman

C.I. Shelley
Chairman

It is a pleasure for me to review briefly the activities of the Local Authorities Board for 1983, the Board's 23rd year of service to Alberta municipal and school authorities.

The number of petitions for annexation and applications for debenture borrowing declined in 1983 while the number of petitions for municipal tax exemptions increased considerably. This trend seems to be an understandable one considering the poor economic performance of the country. Although interest rates came down during the past year, the interest stabilization program introduced by the Provincial Government in 1974 was terminated in March, 1983, and most of the municipalities became more cognizant of their financial limitations. Accordingly, the Board issued 445 Orders approving debenture borrowings in the total amount of $406,945,000. With the exception of two cities, the debentures were sold to the Alberta Municipal Financing Corporation. The two cities sold debentures in a considerable amount on the Canadian open market as their borrowings for electrical power and gas systems did not qualify for the Alberta Municipal Financing Corporation debenture sales.

The Board conducted 52 hearings into annexation, separation, tax exemption, and other cases. Most of the annexation petitions involved large tracts of land as municipalities followed the Board's advice for considering long term land requirements instead of piecemeal ones.

The office automation system represented a great improvement in the accumulation and presentation of different data and reports.

The Board made several recommendations to the Minister's Advisory Committee on the debenture by-law approval process. While these are waiting the Minister's deliberation and possible implementation, through Bills Nos. 43 and 95 some amendments to the Municipal Government Act affected the Board's operation.

The Board was represented at the Annual Refresher Course for Municipal Administrators in Banff and at the annual meeting of the Alberta Urban Municipalities Association in Red Deer.

In closing, I wish to take this opportunity to express my sincere appreciation to our staff for their contributions during the past year.

Introduction

Authority

The Board obtains its authority from the Local Authorities Board Act, Chapter L-27, Revised Statutes of Alberta 1980.

The Board

The Local Authorities Board of Alberta is an independent quasi-judicial tribunal. The Board has all such powers, rights, privileges and immunities as are vested in the Court of Queen's Bench with regard to proceedings, the attendance and examination of witnesses, the production and inspection of documents, the enforcement of its Orders, the payment of costs and all other matters necessary or proper for the due exercise of its jurisdiction or otherwise for the carrying into effect any of its powers.

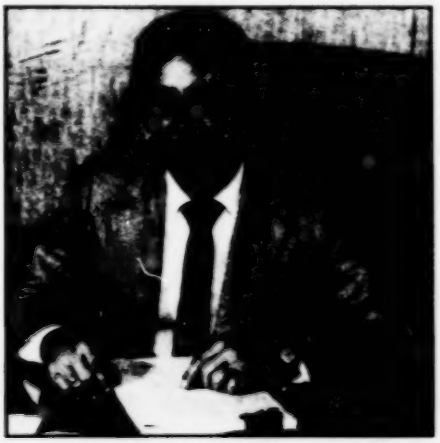
The Orders, decisions, rules or regulations of the Board may, with leave, be appealed to the Court of Appeal on questions of jurisdiction or law but not on questions of fact. The Board's Orders relating to petitions for annexation have no effect unless approved by the Lieutenant Governor in Council who may approve the Order, prescribe conditions that the Order is subject to and approve the Order subject to those conditions, vary the Order and approve the Order as varied, or disapprove the Order.

The Board is not subject to direction by any Minister, Member of the Legislative Assembly, or government official in respect to its quasi-judicial duties.

The Members

The Local Authorities Board Act provides for not more than six persons appointed by the Lieutenant Governor in Council as members of the Board. A member of the Board holds office during pleasure.

J.A. Hammond
Full-time Member



B.T. Clark
Part-time Member

The Staff

The Board has ten authorized staff positions divided into Financial and Territorial Services Divisions, both reporting to the Director of Administration and Board Secretary.

Location

The Board offices are located on the 6th Floor of the Pacific Plaza, 10909 Jasper Avenue, Edmonton, T5J 3L9 (telephone 403-427-4278).

Reporting and Audit

The Board reports to the Lieutenant Governor in Council through the Minister of Municipal Affairs. The Board's expenses are paid from the Province's General Revenue Fund and the accounts are audited by the Provincial Auditor General.

Financing

The Board operates on a fiscal year basis, April 1st to March 31st and submits a yearly budget for approval to the Legislature. As of December 31st, 1983, the Board was within its total budget. It is difficult to forecast expenditures accurately as the Board cannot estimate precisely the nature, extent and number of applications with which it must deal.

The table below indicates the details of the Board's budget:

EXPENDITURE GROUPS	ACTUAL 1982-1983	ESTIMATE 1983-1984
Manpower	$438,571.70	$458,636.00
Supplies & Services	45,496.75	130,336.00*
Purchase of Fixed Assets	87.88	700.00
TOTAL EXPENDITURE	$484,156.33	$589,672.00

(* increase due to cost of office automation)

The Board obtained $194,192.90 from fees during 1983 in connection with applications from local authorities for loan authorizations by way of debentures, petitions for annexation or separation of land, applications for tax exemptions, miscellaneous amendments, and copies of Orders, etc.

Responsibilities

The Local Authorities Board Act — Other Acts Administered

Section 27 of the Local Authorities Board Act states that

(1) The Board has all the necessary jurisdiction and power

(a) to inquire into the merit of any application of a local authority for permission to raise money by way of debenture or on the security of stock;

(b) to supervise the expenditure of money borrowed by a local authority;

(c) to deal with the financial affairs of local authorities;

(d) to grant permission for the extension of the time for repaying the indebtedness incurred by a local authority for the cost of its public works;

(e) to separate land from an urban municipality;

(f) to order compromises of tax arrears.

(2) In addition to the jurisdiction and powers mentioned in subsection (1), the Board has all necessary jurisdiction and powers to perform any duties that are from time to time assigned to it by statute or pursuant to statutory authority.

In addition to the aforementioned legislation, there are also numerous sections within the Municipal Government Act which require the approval of the Board pertaining to various matters. There are also several sections within the Municipal Taxation Act, the Municipal Tax Exemption Act, the New Towns Act, the School Act, the Planning Act, the County Act, the Clean Water Act, the Irrigation Act, the Hospitals Act and the Tax Recovery Act that fall to a certain extent under the jurisdiction of the Board. The Board is bound by the Administrative Procedures Act.

Services

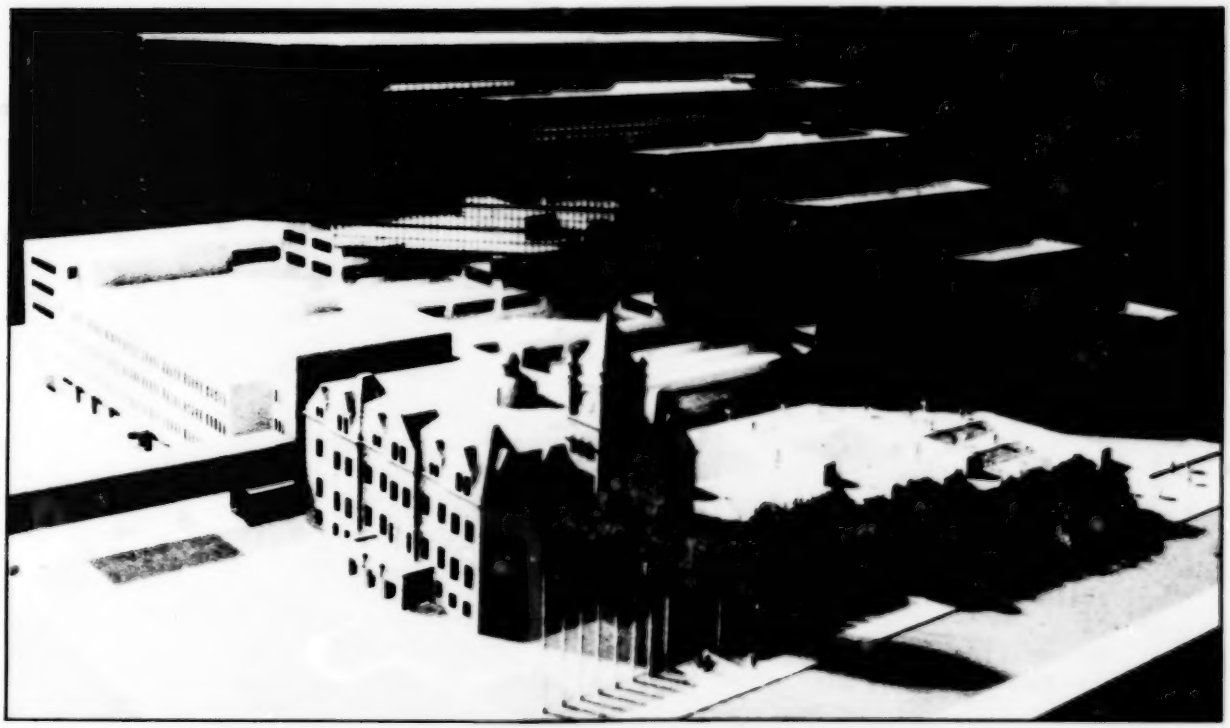
The Board considers and decides upon matters falling into several categories:

A. Debt Creation and Debt Management

1. Applications by local authorities for authorization of debenture borrowings (the Local Authorities Board Act, the Municipal Government Act, and the School Act).

2. Applications by local authorities for use of surplus debenture funds (the Municipal Government Act, the School Act, and the Local Authorities Board Act).

3. Applications by municipalities for certificates respecting debenture borrowing by-laws (the Municipal Government Act).



B. Financial Management

4. Applications for inquiry into the affairs of local authorities where financial difficulties are involved, including fixing by Order of the terms and conditions of any resultant financial control of the authority by the Board (the Local Authorities Board Act).

5. Authorization of financial programs for controlled local authorities including New Towns (the Local Authorities Board Act, and the New Towns Act).

C. Taxation, Arrears and Special Assessments

6. Recommendations to the Lieutenant Governor in Council respecting applications by non-profit organizations for exemption from assessment and taxation of properties owned and used by the organization (the Municipal Tax Exemption Act).

7. Applications for compromise of tax arrears from owners or from a municipality (the Local Authorities Board Act).

8. Applications by municipalities for approval to carry out local improvement work and assess the costs thereof against the properties concerned, notwithstanding the lack of consent of the required majority of owners concerned (the Municipal Taxation Act).

D. Territorial Jurisdiction

9. Petitions for annexation or separation of lands to or from municipalities, including the fixing of terms and conditions of such annexation or separation (the Municipal Government Act, the Local Authorities Board Act, and the County Act). The annexation Board Orders are subject to approval by the Lieutenant Governor in Council.

10. Applications for approval to acquire lands lying outside the boundaries of a municipality when consent of the adjoining municipality cannot be obtained (the Municipal Government Act).

11. Referrals by the Irrigation Council petitioning for formation, change of area, amalgamation or dissolution of Irrigation Districts, including the fixing of terms (the Irrigation Act).

E. Other Matters

12. Recommendations to the Lieutenant Governor in Council concerning matters referred to the Board (the Local Authorities Board Act).

13. Applications to authorize the amendment or rescission of municipal tax sharing agreements when mutual agreement cannot be reached (the Municipal Government Act).

14. Applications by ratepayers for examination of procedures in determining the sufficiency of a petition for or against a local improvement (the Municipal Taxation Act, and the Municipal Government Act).

15. Applications by municipalities for establishment and maintenance of plans of insurance to cover municipal property losses and municipal legal liability to others arising out of accidents and occurrences (the Municipal Government Act).

Other Functions

General

The Board communicates through its Orders, Recommendations and Regulations and does not report to any superior in respect to its day to day activities. However, the Board performs a number of functions to assist the Government, Legislative Assembly and municipalities while still maintaining its independence and quasi-judicial status.

Inquiries

The Board, of its own motion may, and upon the request of the Lieutenant Governor in Council shall, inquire into, hear and determine any matter or thing within its jurisdiction. Public hearings are generally held in respect to such inquiries with the result that the Lieutenant Governor in Council receives a report.

Reports

The Board reports its activities to the President of the Executive Council by means of its Annual Report.

Various internal reports describing the Board's activities are made available to the Minister of Municipal Affairs for his information.

Legislative Changes

When requested, the Board provides comments on proposed changes to legislation in respect to matters affecting the Board. Generally, the proposed changes to legislation are initiated by the Board or by the Government.

Orders in Council

The Board issues Orders and makes Recommendations for Orders in Council in respect to annexation and tax exemption matters respectively. The Lieutenant Governor in Council makes the decision whether or not to approve same.

Activities

The following is a summary of applications dealt with by the Board:

Financial

	CARRIED FROM 1982	NEW ADDED IN 1983	NUMBER GRANTED IN PART OR FULL	NUMBER NOT GRANTED*	OUTSTANDING AS AT DEC. 31, 1983
Debenture	36	418	408	40	6
Temporary Financing	-	3	3	-	-
Exchange of Debenture	1	36	33	4	-
New Town Estimates	-	4	4	-	-
Use of Surplus Funds	2	30	30	1	1
Amendments	1	53	54	-	-
Miscellaneous	2	34	34	2	-

Territorial

	CARRIED FROM 1982	NEW ADDED IN 1983	NUMBER GRANTED IN PART OR FULL	NUMBER NOT GRANTED*	OUTSTANDING AS AT DEC. 31, 1983
Annexation	26	17	24	8	11
Separation of Land	3	2	1	3	1
Tax Exemptions	10	22	10	16	6
Irrigation Districts	-	-	-	-	-
Amendments	3	2	1	4	-
Miscellaneous	-	3	3	-	-

(* NUMBER NOT GRANTED includes applications refused, returned or withdrawn)

R.M.E. Fries
Manager — Financial Services

R.O. Myroniuk
Manager — Territorial Services

Summary

Debenture Borrowings Approved — 1983 (in thousands of dollars)

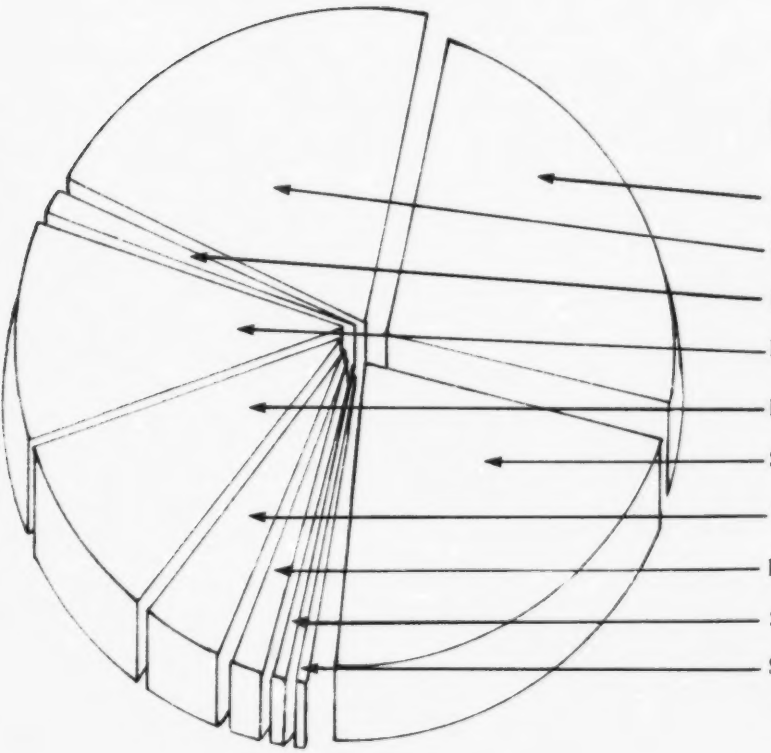
CATEGORY OF APPLICATION	CITIES	TOWNS & NEW TOWNS	VILLAGES	COUNTIES AND MUNICIPAL DISTRICTS	SCHOOL DIVISIONS AND DISTRICTS	TOTAL
Sewer & Water						
# Approved	38	51	17	10	-	116
Amount Approved	70,312	13,812	1,603	5,001	-	90,728
Roads, Bridges, Curb, Gutter & Sidewalk						
# Approved	71	37	9	2	-	119
Amount Approved	40,195	4,899	936	758	-	46,788
Land & Municipal Buildings						
# Approved	8	6	4	3	-	21
Amount Approved	32,037	3,100	622	2,413	-	38,172
Vehicles, Equipment & Machinery						
# Approved	18	4	-	1	-	23
Amount Approved	15,712	97	-	400	-	16,209
Utilities						
# Approved	15	4	-	2	-	21
Amount Approved	89,548	2,478	-	937	-	92,963
Parks & Recreational Purposes						
# Approved	6	9	-	-	-	15
Amount Approved	6,599	2,409	-	-	-	9,008
School Purposes						
# Approved	-	-	-	33	82	115
Amount Approved	-	-	-	29,421	79,541	108,962
Health & Community Services						
# Approved	1	3	1	1	-	6
Amount Approved	250	313	247	73	-	883
Subdivision & Development						
# Approved	1	5	-	-	-	6
Amount Approved	517	1,724	-	-	-	2,241
Solid Waste Disposal						
# Approved	2	1	-	-	-	3
Amount Approved	951	40	-	-	-	991
Totals						
# Approved	160	120	31	52	82	445
Amount Approved	256,121	28,872	3,408	39,003	79,541	406,945

Summary

Annexations Granted — 1983

PROPOSED USE OF ANNEXED LANDS IN HECTARES (ACRES)

	CITIES	TOWNS	VILLAGES	COUNTIES	TOTAL
NUMBER OF APPLICATIONS	4	8	11	1	24
RESIDENTIAL	3,149.20 (7,781.84)	1,034.00 (2,555.07)	289.62 (715.67)	- (-)	4,472.82 (11,052.58)
INDUSTRIAL	- (-)	1,995.63 (4,931.30)	36.44 (90.05)	- (-)	2,032.07 (5,021.35)
COMMERCIAL	259.00 (640.00)	97.74 (241.52)	8.84 (21.84)	- (-)	365.58 (903.36)
CONTROL	- (-)	1,337.89 (3,305.99)	- (-)	10,359.95 (25,600.00)	11,697.84 (28,905.99)
RECREATIONAL	925.52 (2,287.01)	797.22 (1,969.99)	7.90 (19.52)	740.57 (1,829.99)	2,471.21 (6,106.51)
OTHER	1,088.19 (2,688.98)	434.62 (1,073.97)	35.46 (87.62)	- (-)	1,558.27 (3,850.57)
TOTALS	5,421.91 (13,397.83)	5,697.10 (14,077.84)	378.26 (934.70)	11,100.52 (27,429.99)	22,597.79 (55,840.36)



FINANCIAL

Utilities - 22.8 %

Sewer & Water - 22.3%

Health & Community Services - 0.2%

Roads, Bridges Curb, Gutter & Sidewalk - 11.5%

Land & Municipal Buildings - 9.4%

School Purposes - 26.8%

Vehicles, Equipment & Machinery - 4.0%

Parks & Recreation Purposes - 2.2%

Subdivision & Development - 0.6%

Solid Waste Disposal - 0.2%

TERRITORIAL

Commercial - 1.6%

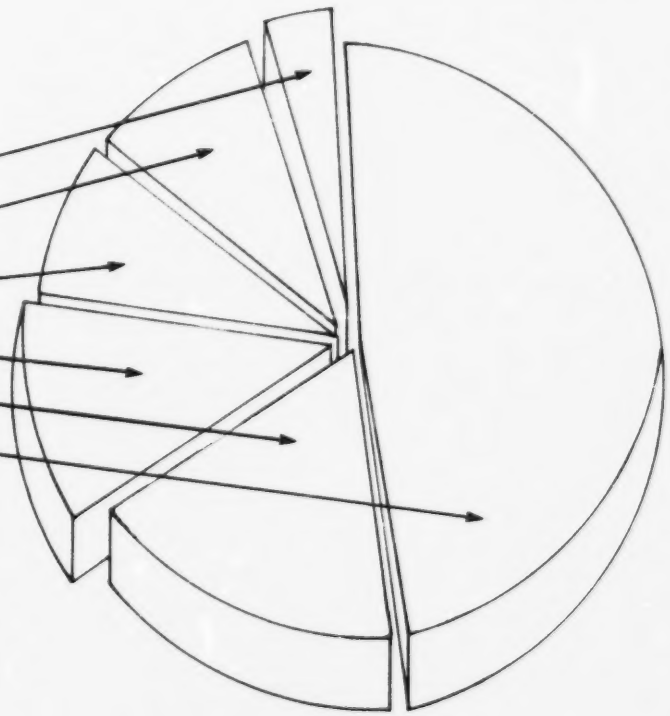
Industrial - 9.0%

Other - 6.9%

Recreational - 10.9%

Residential - 19.8%

Control - 51.8%



Summary of Financial Applications Approved by Local Authority

Cities

Calgary	36
Camrose	4
Drumheller	5
Edmonton	73
Fort McMurray	1
Grande Prairie	10
Leduc	3
Lethbridge	8
Medicine Hat	22
Red Deer	10
St. Albert	5
Wetaskiwin	19
	196

Towns

Airdrie	3
Athabasca	2
Barrhead	1
Beaumont	7
Beaverlodge	1
Black Diamond	1
Brooks	1
Calmar	1
Canmore	4
Castor	4
Cochrane	1
Cold Lake	1
Coronation	4
Daysland	2
Devon	1
Drayton Valley	7
Elk Point	2
Fairview	1
Falher	4
Fort Macleod	1
Fort Saskatchewan	5
Fox Creek	1
Gibbons	1
Grand Centre	2
Grande Cache	1
Granum	1
Grimshaw	9
High Level	2
High Prairie	2

Towns continued

High River	1
Hinton	16
Lac La Biche	1
Lacombe	1
Lamont	3
Magrath	1
Millet	2
Morinville	2
Nanton	1
Okotoks	1
Olds	1
Oyen	2
Peace River	7
Penhold	3
Picture Butte	1
Ponoka	3
Provost	2
Rainbow Lake, New Town	1
Redcliff	3
Redwater	1
Rimbey	1
Rocky Mountain House	1
Slave Lake	2
Spirit River	1
Spruce Grove	5
St. Paul	3
Stettler	1
Stony Plain	4
Strathmore	3
Sundre	4
Swan Hills	4
Sylvan Lake	1
Taber	2
Three Hills	1
Tofield	2
Vauxhall	2
Vegreville	1
Vermilion	4
Viking	1
Vulcan	1
Wainwright	2
Whitecourt	3
	175

Villages

Andrew	1
Beiseker	1
Berwyn	1
Blackie	4
Botha	1
Boyle	4
Chestermere Lake S.V.	1
Consort	1
Coutts	1
Donnelly	1
Duchess	3
Evansburg	1
Foremost	6
Forestburg	1
Halkirk	2
Hines Creek	1
Holden	3
Hussar	1
Hythe	1
Innisfree	1
Mirror	1
New Norway	1
Nobleford	3
Onoway	2
Rosemary	2
Seba Beach S.V.	1
Stirling	1
Strome	1
Sunset Point S.V.	1
Thorsby	1
Tilley	1
Wanham	1
	52

Counties

Grande Prairie #1	1
Ponoka #3	2
Stettler #6	2
Wetaskiwin #10	1
Barrhead #11	7
Lacombe #14	2
Wheatland #16	2
Mountain View #17	4
St. Paul #19	1
Strathcona #20	11

Counties continued

Red Deer #23	4
Vermilion River #24	3
Leduc #25	1
Minburn #27	2
Lamont #30	1
Parkland #31	6
	50

Municipal Districts

Foothills #31	1
Rocky View #44	2
Starland #47	2
Kneehill #48	1
Sturgeon #90	1
Fairview #136	2
	9

School Districts

Calgary R.C.S. #1	5
Edmonton R.C.S. #7	7
Edmonton #7	6
Red Deer R.C.S. #17	3
Calgary #19	6
Manning R.C.S. #37	1
Lethbridge #51	1
Sexsmith #51	1
Camrose R.C.S. #60	1
Beaverlodge R.C.S. #68	1
Falher Consolidated #69	2
Medicine Hat #76	1
Picture Butte R.C.S. #79	2
Vermilion R.C.S. #97	1
Red Deer Public #104	3
Rocky Mountain House R.C.S. #131	1
Stony Plain R.C.S. #151	1
Edson R.C.S. #153	2
Hinton R.C.S. #155	2
Wetaskiwin #264	1
Camrose #1315	1
Brooks #2092	1
	50

School Divisions

Cardston #2	1	Rocky View #41	4
Peace River #10	2	Spirit River #47	1
Yellowhead #12	3	Lac La Biche #51	3
Sturgeon #24	1	Fort Vermilion #52	5
Willow Creek #28	1	East Smoky #54	1
Starland #30	1	Three Hills #60	1
Westlock #37	1	Northland #61	9
			34

Summary of Annexation and Separation Applications Granted by Local Authority

Cities

Calgary	3
Medicine Hat	1
	4

Towns

Brooks	1
Cold Lake	1
Crowsnest Pass, Municipality of	1
Edson	1
Grimshaw	1
High River	1
Manning	1
Millet	1
Redcliff	1
Three Hills	1
	10

Villages

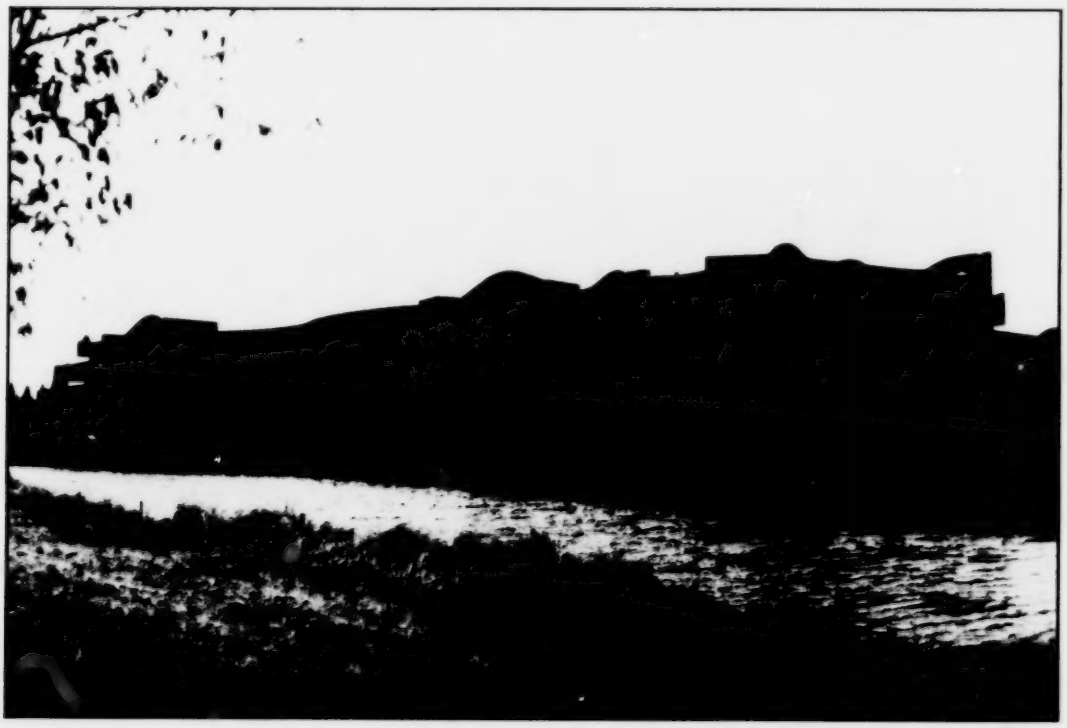
Alberta Beach S.V.	1
Barnwell	1
Big Valley	1
Evansburg	1
Foremost	1
Galahad	1
Innisfree	1
Island Lake S.V.	1
Poplar Bay S.V.	1
Rockyford	1
	10

Counties

Thorhild #7	1
	1

Summary of Applications by Category of Local Authority

CATEGORY OF LOCAL AUTHORITY	FINANCIAL APPLICATIONS	ANNEXATION AND SEPARATION APPLICATIONS
CITIES	196	4
TOWNS	175	10
VILLAGES	52	10
COUNTIES	50	1
MUNICIPAL DISTRICTS	9	-
SCHOOL DISTRICTS	50	-
SCHOOL DIVISIONS	34	-
TOTALS	566	25



POOR

QUALITY

ORIGINAL